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SUBJECT: Higher Education in Shenzhen -- Training Their Own
Peacocks

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¶1. (SBU) SUMMARY: As has been widely reported in the Chinese press, this year's college graduates are facing an extremely tight domestic job market -- there are reportedly only jobs for 75% of the graduates. During Econoffs' informal survey of the general higher-education situation in Shenzhen, Shenzhen University claimed that a surprising 98.83% of 2005 graduates had found jobs by the end of the year. We suspect, however, that these high numbers include all types of jobs, including those for which college graduates are overqualified. Shenzhen is also producing its own pool of high-tech graduates -- rather than continuing to rely on China's "peacocks" (the best and brightest who migrate to Shenzhen in search of fame and fortune) -- by establishing the University Town project to bring well-known schools together to offer post-graduate studies. An official from the Graduate School at Shenzhen-Tsinghua University told us that its graduates are usually successful finding jobs, but that they still prefer to work in Beijing or Shanghai. END SUMMARY.

Shenzhen Not an Educational Powerhouse, But Trying

¶2. (U) Prior to being designated a Special Economic Zone in 1980, Shenzhen was little more than a fishing village, and thus lacked a tertiary education system. Today the city counts with 11 universities and colleges to serve its population of more than ten million. From 2001 to 2005, the number of full-time university students increased from 18,700 to 45,000. The Shenzhen Education Bureau predicts that by 2010, the number of full-time university students will reach 100,000.

¶3. (U) According to the Shenzhen Education Bureau's Draft Education Development Plan for the 11th Five-Year Period, by 2010 spending on education will increase to more than four percent of the city's GDP; in 2003 it was just 2.25 percent, according to the Hong Kong press. The Bureau also hopes that, by 2010, Shenzhen University's (SZU) ranking among all mainland universities will be in the top 100. In a 2005 poll conducted by Chinese web-site Netbig.com, SZU ranked 161st among all Mainland universities, up from 195th in

¶2004. Still, it is a poor performance for the best-known university in what is arguably China's fourth most important city.

Shenzhen University

¶4. (U) SZU was established in 1983 and offers 54 bachelor's programs, 69 master's programs, and 3 doctoral programs. There are roughly 20,000 full-time students (including undergraduate, graduate, and international students) and 18,000 adult-education students. Roughly half of the students hail from outside of Shenzhen. SZU has established relationships with more than 50 overseas universities, and thus far has accepted more than 4,000 foreign students from more than 40 countries. The majority of foreign students (roughly 60%) come from South Korea; the next largest group is from Japan.

A Rosy Job Picture, Say Officials

¶5. (SBU) According to Huang Donglin and Gao Litian of SZU's Foreign Affairs office (FAO), the percentage of the university's 2005 graduates who had found jobs by the end of the same year was 98.83%; the number of 2004 graduates who had found jobs by the end of 2005 was a remarkable 99.1%. Most of the jobs these students found were in their fields of study, with the exception of those students who did not like their majors and chose to find jobs in other fields, according to Huang and Gao. SZU helps students find jobs by offering online tests to help determine skills; running a website that posts job vacancies sent to the school from various companies; and hosting job fairs.

Staying in Shenzhen, if Possible

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¶6. (SBU) According to Huang and Gao, local students are likely to remain in Shenzhen to find work. In addition to the inherent desirability of living in a top-notch city like Shenzhen (by Chinese standards, at least), these students want to stay because they are familiar with the environment and have a network of established connections. While some students from outside of Shenzhen -- especially from rural areas -- often return home to find jobs, the officials implied that many, if not most, of these graduates would prefer to remain in Shenzhen if they could find a company to hire them and in turn help them obtain a residence permit ("hukou") to remain in Shenzhen.

¶7. (U) The fields that have the best job placement rates are business, management, and economics, while students with an education degree have the hardest time finding a job. New teachers who want to remain in Shenzhen have an especially difficult time finding work because the "market is saturated." Huang and Gao commented that since 2004 teachers have had to find jobs on their own, instead of being assigned teaching positions by the government.

The Role of High-Tech (and Peacocks) in Shenzhen

¶8. (SBU) The high-tech industry is of paramount importance to Shenzhen, but as other parts of the country ramp up their own high-tech sectors, Shenzhen faces increasing competition for skilled workers. Compounding the problem is Shenzhen's lack of an educational infrastructure to churn out the necessary workers. As a result, the city relies heavily on transplanted skilled workers from throughout China. According to an official from the Shenzhen Academy of Social Sciences, roughly 90% of Shenzhen's degree holders come from elsewhere. The trend whereby scores of China's best and brightest migrate to Shenzhen in search of fame and fortune

has been described colloquially as the "peacock flies southeast" after the name of an ancient Chinese poem. The city's continued ability to attract these "peacocks" -- the best of whom now have more choice in where they choose to live and work -- is unknown, however.

¶9. (SBU) In response, in 2001 the Shenzhen municipal government provided major investment for an ambitious "University Town" project, which would bring together various schools in one 65-acre, 38-building campus, where only postgraduate programs would be offered. University Town has attracted graduate schools from Tsinghua, Peking, and Nankai Universities, as well as the Harbin Institute of Technology. Hong Kong press reports have noted, however, that many classrooms and laboratories are empty and awaiting funding. In fact, Econoff only ran across two students during her visit to the campus on a Friday afternoon, despite the fact that Tsinghua was gearing up for its five-year anniversary celebrations. During a recent earlier visit to the campus to speak with Tsinghua students, Congenoffs found only a class of 15 students with few others on campus.

Educating High-Tech Workers - Tsinghua U's Graduate School

¶10. (U) At the Graduate School at Shenzhen-Tsinghua University (GSS-TU), Econoff met with refreshingly frank Ma Li, the deputy director of the school's FAO. GSS-TU is part of Beijing-based Tsinghua University and is its only branch campus. The school was inaugurated in June 2001 and moved to its campus at University Town in 2003. The first PhD degree was conferred in 2004, and since then an additional 300 students have graduated from GSS-TU. The school has five divisions: Information Science and Technology; Engineering; Science and Liberal Arts; Management; and Life Science. There are approximately 1,900 students enrolled in the school, 1,110 of whom are full-time.

¶11. (SBU) Many GSS-TU students travel back and forth between the Shenzhen and Beijing campuses, Ma explained. Students from the main campus can be assigned to the Shenzhen campus

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depending on their field of study and their grades. Ma admitted that many students prefer the Beijing campus because it has better "conditions." She noted, however, that some students specifically choose the Shenzhen campus because they want to study with one of the Shenzhen-based professors, or because the program in their chosen field of study is better at the Shenzhen campus. Meanwhile, GSS-TU is trying to develop its own special characteristics by offering unique programs such as those in logistics, art design, and marine biology.

¶12. (SBU) Ma explained that the idea behind the Shenzhen government's support of GSS-TU is that if Tsinghua's top-notch students came to Shenzhen to study and had a good experience, they might be willing to remain in Shenzhen to work, benefiting the local economy. Despite these efforts, however, the most popular places for employment for the GSS-TU's graduates are Beijing, Shanghai, and the Pearl River Delta, in that order. Ma explained that, while the job markets in other cities are not necessarily better, students perceive those cities to have a better quality of life.

¶13. (U) While some have noted that the theoretical, textbook approach to education that many Chinese students get does not provide them the practical and teamwork skills that top companies require, GSS-TU and its fellow tenants at University Town have been able to counter this to some extent. The vibrant high-tech economy in Shenzhen provides opportunities for "hands-on" experience with local enterprises. Ma explained that GSS-TU professors are commonly contracted out to work or consult on specific projects for local companies. This provides funding for the

school and also offers real-life work experience for the students who are involved in the projects. In the past two years, three universities at University Town have launched more than 100 research programs with companies and government bodies such as Huawei and ZTE, TV maker Skyworth, Shenzhen People's Hospital, and urban planning organizations, according to a Guangdong news website. GSS-TU also offers internships with local companies, including an American logistics company that participated in the program last year.

¶14. (SBU) These programs, as well as Tsinghua's first-rate reputation, have led to a high rate of job placement upon graduation. Ma frankly admitted that she did not know the exact percentage of GSS-TU graduates who find jobs, but she said that "most of them do." She pointed out that because GSS-TU only has graduate students, they tend to be focused and know exactly what they want to do, and thus find jobs directly related to their fields of study. She admitted that while the job situation in China overall is "not so good," the situation for GSS-TU grads is better. Because all GSS-TU alumni have post-graduate degrees, they are able to successfully compete for even the most academically demanding jobs.

Comment: Are All Jobs Created Equal?

¶15. (SBU) While it is plausible that graduates from a top school like Tsinghua do not face problems finding jobs, it is less believable that a minor school like SZU can obtain such prima facie impressive placement rates, at a time when there is a job crunch across China, and official figures place the employment rate for graduates at 70%. If SZU's numbers are accurate, then they most certainly must reflect a lot of employment outside the employed student's field of study. Indeed, Shenzhen university officials admitted that getting a job is not a problem, but finding a suitable job with a decent salary is. A Hong Kong press report described a trend whereby recent mainland graduates are taking jobs such as peddling wares from street stalls for lack of other opportunities. We suspect that some schools are including these types of jobs -- no matter how menial -- in their statistics to boost their placement rates.

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